



Legislative Council Staff
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Fiscal Note

Drafting Number: LLS 23-0007 Date: April 18, 2023
Prime Sponsors: Sen. Ginal; Will Bill Status: Senate Agriculture
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Bill Topic: COLORADO WILD HORSE PROJECT

- Summary of Fiscal Impact:
State Revenue (checkbox)
State Expenditure (checked)
State Transfer (checked)
TABOR Refund (checkbox)
Local Government (checked)
Statutory Public Entity (checkbox)

The bill creates the Wild Horse Management Project in the Department of Agriculture to operate programs to support the management of wild horses in Colorado. It increases state expenditures and workload beginning in FY 2023-24.

Appropriation Summary: For FY 2023-24, the bill requires an appropriation of \$1,654 to the Legislative Department. The Wild Horse Project Fund is continuously appropriated to the Department of Agriculture.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under SB 23-275

Table with 4 columns: Category, Sub-category, Budget Year FY 2023-24, and Out Year FY 2024-25. Rows include Revenue, Expenditures (General Fund, Cash Funds, Centrally Appropriated, Total Expenditures, Total FTE), Transfers (General Fund, Cash Funds, Total Transfers), and Other Budget Impacts (General Fund Reserve).

Summary of Legislation

The bill creates programs in the Colorado Department of Agriculture (CDA) to support the management of wild horses in Colorado, including the Wild Horse Management Project, the Wild Horse Working Group, the Wild Horse Stewardship Program, and the Wild Horse Fertility Control Program.

Wild Horse Management Project. The bill creates the Wild Horse Management Project (the project) in the CDA as a nonprofit, state-owned entity. The project will manage the Wild Horse Stewardship Program and the Wild Horse Working Group established in the bill. A director must be hired before August 1, 2023, by a hiring committee consisting of members outlined in the bill. The director must submit a report to the Governor, Joint Budget Committee, and any appropriate committees of reference before January 31, 2024, and annually thereafter, which must include a description of expenditures, proposals made, and actions taken. The report must also be presented as a part of CDA's SMART Act hearing.

Wild Horse Working Group. The bill creates the Wild Horse Working Group to identify and pursue humane, nonlethal alternatives for wild horses taken off-range or held in federal holding facilities in Colorado, opportunities for long-term care and management, and adoption partnerships. The working group must make recommendations to the Governor and General Assembly about these issues by November 5, 2024. Membership of the working group is made up of individuals from state departments, the Governor's Office, the General Assembly, various nonprofits and communities, Native American tribes, the U.S. Bureau of Land Management (BLM), and the United States Forest Service. The group is repealed as of July 1, 2025.

Wild Horse Stewardship Program. The bill creates the Wild Horse Stewardship Program to support the management of wild horse herds and rangeland in Colorado, including herds in federal herd management areas. The program will also assist in supporting the management of range health, and in partnership with and with permission from BLM, help maintain range infrastructure for the benefit of wild horse herds and rangeland. The project must begin implementing this program by July 31, 2024.

Wild Horse Fertility Control Program. The bill creates the Wild Horse Fertility Control Program to manage wild horse herds, include those in federal herd management areas, using fertility control methods. The Wild Horse Management Project may create and administer grant programs to implement this program. The program must use only humane, nonlethal, and safe fertility control methods and may not use or authorize lethal population management or surgical sterilization of wild horses. The project must begin implementing this program by July 1, 2024.

Wild Horse Project Fund. The bill creates the Wild Horse Project Fund, which consists of gifts, grants, and donations, money from the federal government, and any other money appropriated by the General Assembly. Upon the effective date of the bill, the State Treasurer must transfer \$1.5 million of General Fund to the fund. For FY 2023-24, the bill appropriates \$400,000 from the cash fund to CDA for use by the Commissioner of Agriculture for fertility control management of wild horse populations. Money in the fund is continuously appropriated to the department.

State Transfers

In FY 2023-24, the bill transfers \$1.5 million from the General Fund to the Wild Horse Project Fund.

State Expenditures

The bill increases state expenditures in CDA by \$201,710 in FY 2023-24 and \$218,957 in FY 2024-25, paid from the Wild Horse Project Fund. The bill will also increase state expenditures in the Legislative Department by approximately \$1,654 in FY 2023-24 and FY 2024-25, paid from the General Fund. Expenditures are shown in Table 2 and detailed below.

Table 2
Expenditures Under SB 23-266

	FY 2023-24	FY 2024-25
Department of Agriculture		
Personal Services	\$123,827	\$168,065
Operating Expenses	\$1,890	\$2,700
Capital Outlay Costs	\$20,010	-
Legal Services	\$21,148	-
Travel Reimbursements	\$7,811	\$10,415
Centrally Appropriated Costs ¹	\$27,024	\$37,777
FTE – Personal Services	1.4 FTE	2.0 FTE
FTE – Legal Services	0.1 FTE	-
CDA Subtotal	\$201,710	\$218,957
Legislative Department		
Member Per Diem	\$559	\$559
Travel Costs	\$1,095	\$1,095
Legislative Subtotal	\$1,654	\$1,654
Total	\$203,364	\$220,611
Total FTE	1.5 FTE	2.0 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

Department of Agriculture. The CDA will require additional employees, travel expenses, and legal services to manage the Wild Horse Project.

- **Staffing and travel.** CDA will hire 2.0 FTE, including the Wild Horse Project Director, hired by the working group, as 1.0 FTE, 0.5 FTE accountant, and 0.5 FTE purchasing agent to manage contracts, proposals, memorandums, invoices, and other administrative tasks associated with

implementing the project programs. The director is expected to travel substantially in order to oversee the project implementation across Colorado.

- **Legal services.** CDA requires 200 legal services hours in FY 2023-24 for the establishment of the articles of incorporation, registering as a nonprofit, and other legal advice for partnering with agencies.

Legislative Department. The Wild Horse Working Group includes two members of the legislature. Each member receives \$112 per diem and \$219 for travel reimbursement for each meeting occurring in person and outside the legislative session. The fiscal note estimate assumes there will be at least 11 meetings per year, with two being remote and four taking place during the legislative session.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are shown in Table 2.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, decreasing the amount of General Fund available for other purposes.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2023-24, the bill requires the following:

- an appropriation of \$1,654 to the Legislative Department from the General Fund; and
- a reappropriation of \$21,148 to the Department of Law from the Wild Horse Project Fund.

No appropriation is required from the Wild Horse Project Fund, which is continuously appropriated to the Department of Agriculture.

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